



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

KYLE E JONES MD
1025 DESHONG DRIVE
PARIS TX 75460

Respondent Name

COMMERCE & INDUSTRY INSURANCE

Carrier's Austin Representative Box

Box Number 19

MFDR Tracking Number

M4-11-4782-01

MFDR Date Received

AUGUST 12, 2011

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary: "Codes are valid charges are correct-Bill should be paid."

Amount in Dispute: \$214.83

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary: "The Provider used code L1825 which is an invalid code in the state of Texas. It was returned to the Provider with an Explanation of Benefit(s) stating, 'The applicable fee schedule does not contain the billed code. Please resubmit a bill with the applicable fee schedule code(s) that best describe the service(s) and supporting documentation if required.' The bill was resubmitted on July 15, 2011 with the same invalid code. Therefore, no reimbursement is due to the Provider."

Response Submitted by: Chartis

SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
September 28, 2010	Office Visit - CPT Code 99203	\$142.27	\$142.27
	Work Status Report - CPT Code 99080-73	\$15.00	\$15.00
	Knee Sleeve - HCPCS Code L1825	\$57.56	\$0.00
TOTAL		\$214.83	\$157.27

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §134.203, effective March 1, 2008, sets the reimbursement guidelines for the disputes service.

3. 28 Texas Administrative Code §134.204, effective March 1, 2008, sets out medical fee guidelines for workers' compensation specific services.
4. 28 Texas Administrative Code §129.5, effective July 16, 2000, sets out the procedure for reporting and billing work status reports.
5. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of benefits

- 16-Claim/service lacks information which is needed for adjudication. Additional information is supplied using remittance advice remarks codes whenever appropriate.
- 220-The applicable fee schedule does not contain the billed code. Please resubmit a bill with the appropriate fee schedule code(s) that best describe the service(s) provided and supporting documentation if required.
- Z656-Any request for reconsideration of this workers' compensation payment should be accompanied by a copy of this explanation of benefits.
- X160-This charge denied because an invalid code was submitted on the bill or the bill has missing or invalid required information.
- 181-Procedure code is invalid on this date of service.
- B256-This procedure code is invalid on this date of service according to the Texas Fee Schedule. Resubmit the entire bill with a valid code for this charge.
- X394-Our position remains the same if you disagree with our decision please contact the TWCC Medical Dispute Resolution.
- X022-Previously requested information/documentation has not been received.

Issues

1. Does the documentation support billing of office visit? Is the requestor entitled to reimbursement?
2. Does the documentation support billing of work status report? Is the requestor entitled to reimbursement?
3. Was HCPCS code L1825 a valid code on the disputed date of service? Is the requestor entitled to reimbursement?

Findings

1. CPT code 99203 is defined as "Office or other outpatient visit for the evaluation and management of a new patient, which requires these 3 key components: A detailed history; A detailed examination; Medical decision making of low complexity. Counseling and/or coordination of care with other physicians, other qualified health care professionals, or agencies are provided consistent with the nature of the problem(s) and the patient's and/or family's needs. Usually, the presenting problem(s) are of moderate severity. Typically, 30 minutes are spent face-to-face with the patient and/or family." The requestor submitted his report that supports billed service. As a result, reimbursement is recommended.

Per 28 Texas Administrative Code §134.203(c)(1)(2), "To determine the MAR for professional services, system participants shall apply the Medicare payment policies with minimal modifications.

(1) For service categories of Evaluation & Management, General Medicine, Physical Medicine and Rehabilitation, Radiology, Pathology, Anesthesia, and Surgery when performed in an office setting, the established conversion factor to be applied is \$52.83. For Surgery when performed in a facility setting, the established conversion factor to be applied is \$66.32.

(2) The conversion factors listed in paragraph (1) of this subsection shall be the conversion factors for calendar year 2008. Subsequent year's conversion factors shall be determined by applying the annual percentage adjustment of the Medicare Economic Index (MEI) to the previous year's conversion factors, and shall be effective January 1st of the new calendar year. The following hypothetical example illustrates this annual adjustment activity if the Division had been using this MEI annual percentage adjustment: The 2006 Division conversion factor of \$50.83 (with the exception of surgery) would have been multiplied by the 2007 MEI annual percentage increase of 2.1 percent, resulting in the \$51.90 (with the exception of surgery) Division conversion factor in 2007."

To determine the MAR the following formula is used: (DWC Conversion Factor/Medicare Conversion Factor) X Participating Amount = Maximum Allowable Reimbursement (MAR).

The 2010 DWC conversion factor for this service is 54.32.

The Medicare Conversion Factor is 36.8729

Review of Box 32 on the CMS-1500 the services were rendered in zip code 75460, which is located in Paris, Texas. Therefore, the Medicare participating amount will be based on the reimbursement for Paris, Texas.

The Medicare participating amount for CPT code 99203 is

Using the above formula, the MAR is \$148.68. The requestor is seeking \$142.27; therefore, this amount is recommended.

2. CPT code 99080-73 is defined as "Special reports such as insurance forms, more than the information conveyed in the usual medical communications or standard reporting form."

28 Texas Administrative Code §134.204 (I) states "The following shall apply to Work Status Reports. When billing for a Work Status Report that is not conducted as a part of the examinations outlined in subsections (i) and (j) of this section, refer to §129.5 of this title (relating to Work Status Reports)."

28 Texas Administrative Code §129.5(i)(1) states "Notwithstanding any other provision of this title, a doctor may bill for, and a carrier shall reimburse, filing a complete Work Status Report required under this section or for providing a subsequent copy of a Work Status Report which was previously filed because the carrier, its agent, or the employer through its carrier, asks for an extra copy. The amount of reimbursement shall be \$15. A doctor shall not bill in excess of \$15 and shall not bill or be entitled to reimbursement for a Work Status Report which is not reimbursable under this section. Doctors are not required to submit a copy of the report being billed for with the bill if the report was previously provided. Doctors billing for Work Status Reports as permitted by this section shall do so as follows: (1) CPT code "99080" with modifier "73" shall be used when the doctor is billing for a report required under subsections (d)(1), (d)(2), and (f) of this section."

28 Texas Administrative Code §129.5 (d)(1) and (2) states "The doctor shall file the Work Status Report:

(1) after the initial examination of the employee, regardless of the employee's work status;

(2) when the employee experiences a change in work status or a substantial change in activity restrictions."

The requestor submitted a copy of the September 28, 2010 report to support billing was in compliance with 28 Texas Administrative Code §129.5 (d)(1); therefore, reimbursement of \$15.00 is recommended.

3. The respondent denied reimbursement for HCPCS code L1825 based upon reason codes "220, 181 and B256."

28 Texas Administrative Code §134.203(a)(5), states "'Medicare payment policies' when used in this section, shall mean reimbursement methodologies, models, and values or weights including its coding, billing, and reporting payment policies as set forth in the Centers for Medicare and Medicaid Services (CMS) payment policies specific to Medicare."

HCPCS code L1825 is defined as "Knee orthotic (KO), immobilizer, canvas longitudinal, prefabricated, includes fitting and adjustment."

According to the CMS Manual System, Publication 100-04 Medicare Claims Processing, Transmittal 1853, effective January 1, 2010, HCPCS code L1825 was deleted. As a result, the respondent's denial based upon reason codes "220, 181 and B256" is supported. No reimbursement can be recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$157.27.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code Sections 413.031 and 413.019 (if applicable), the Division has determined that the requestor is entitled to additional reimbursement for the services involved in this dispute. The Division hereby ORDERS the respondent to remit to the requestor the amount of \$152.27 plus applicable accrued interest per 28 Texas Administrative Code §134.130, due within 30 days of receipt of this Order.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

10/17/2013
Date

YOUR RIGHT TO APPEAL

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.**

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.